

**CITY OF FARGO**  
**EMPLOYEES PENSION PLAN**  
**State Investment Board**  
**Balance Sheet**  
**As of 8/31/2008**

	As of <u>8-31-08</u>	As of <u>6-30-08</u>
<b>ASSETS:</b>		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 11,580,681	\$ 11,600,834
INTERNATIONAL EQUITIES	3,963,115	4,216,304
DOMESTIC FIXED INCOME	8,789,765	8,927,413
INTERNATIONAL FIXED INCOME	1,484,240	1,516,870
REAL ESTATE	1,559,548	1,595,296
ALTERNATIVE INVESTMENTS	1,417,417	1,684,654
INVESTED CASH (NOTE 1)	<u>47,420</u>	<u>122,633</u>
 TOTAL INVESTMENTS	 28,842,186	 29,664,004
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	<u>(3,017)</u>	<u>(6,444)</u>
 TOTAL RECEIVABLES	 (3,017)	 (6,444)
 OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	477,898	477,898
 TOTAL ASSETS	 <u>\$ 29,317,067</u>	 <u>\$ 30,135,458</u>
 <b>LIABILITIES:</b>		
SECURITIES LENDING COLLATERAL (NOTE 2)	477,898	477,898
INVESTMENT EXPENSE PAYABLE	<u>37,121</u>	<u>37,510</u>
 TOTAL LIABILITIES	 515,019	 515,408
 <b>NET ASSETS AVAILABLE:</b>		
NET ASSETS AVAILABLE BEGIN OF YEAR	29,620,050	0
CASH IN DURING YEAR (NOTE 3)	0	31,807,740
CASH OUT DURING YEAR (NOTE 4)	400,000	350,000
NET INCREASE (DECREASE)	<u>(418,002)</u>	<u>(1,837,690)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>28,802,048</u>	 <u>29,620,050</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 29,317,067</u>	 <u>\$ 30,135,458</u>

**CITY OF FARGO  
EMPLOYEES PENSION PLAN  
State Investment Board  
Profit and Loss Statement  
For the Month Ended 8/31/2008**

	Month Ended <u>8-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 56,470	\$ 100,024
SECURITIES LENDING INCOME	911	1,926
	<u>57,381</u>	<u>101,950</u>
 GAIN ON SALE OF INVESTMENTS	 212,121	 467,093
LOSS ON SALE OF INVESTMENTS	<u>179,485</u>	<u>411,696</u>
 NET GAINS (LOSSES) INVESTMENTS	 32,636	 55,397
 INVESTMENT EXPENSES	 14,633	 31,753
SECURITIES LENDING EXPENSES	704	1,410
 NET INVESTMENT INCOME	 74,680	 124,184
 NET APPREC (DEPREC) MARKET VALUE	 (184,017)	 (545,788)
MISCELLANEOUS INCOME/(EXPENSE)	<u>3,637</u>	<u>3,602</u>
 TOTAL INVESTMENT INCOME	 <u>(105,700)</u>	 <u>(418,002)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	0	0
 NET INCREASE (DECREASE)	 <u><u>\$ (105,700)</u></u>	 <u><u>\$ (418,002)</u></u>

**CITY OF FARGO**  
**EMPLOYEES PENSION PLAN**  
**Notes To Financial Statements**  
**August 31, 2008**

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

**NOTE 1**    **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

**NOTE 2**    **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

**NOTE 3**    **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

**NOTE 4**    **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.